



Testimony
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Before the Energy Committee
March 17, 2015

The Connecticut Water Works Association (CWWA), which represents municipal, private and regional water utilities, **supports with revisions SB-1079, AN ACT CONCERNING WATER COMPANIES AND VIRTUAL NET METERING**, which will help promote energy efficiency and environmental sustainability by authorizing water companies to utilize virtual net metering.

The state's Comprehensive Energy Strategy recognizes that treating and distributing public water supplies is very energy intensive. In fact, the report notes that the U.S. Environmental Protection Agency (EPA) estimates that energy costs can represent as much as 65% of a utility's annual budget.

This is not surprising because energy is embedded in all stages of the water supply and treatment cycle: pumping, treatment, distribution, recycling. According to the Alliance for Water Efficiency, energy used for water supply and treatment constitutes:

- 19% of California's electric energy load
- 12% of Toronto's electric energy load
- 13% of national electric energy load (estimated)

Clearly, energy efficiency programs are critical to water utilities in controlling costs and customer rates as well as in promoting water conservation. Recognizing this, many water companies are embracing efforts to use renewable energy to improve energy efficiency and reduce their carbon footprint. For example, water utilities are installing solar technology, wind power applications, energy efficient lighting, exploring hydropower and taking advantage of the state's Renewable Energy Credit (ZREC) program and other energy efficient programs.

However, under current law, although municipal water and sewer departments are eligible to utilize virtual net metering to share the billing credit among their electric accounts, regional water authorities, metropolitan corporations and private water companies are not. Given the considerable benefits to the state, the environment and water utility customers in reducing energy costs and consumption, authorizing all water utilities to utilize virtual net metering is an important public policy goal.

The definition of "water companies" in the bill, however, needs to be clarified in order to ensure that the bill includes all water companies. This is generally accomplished by providing that the bill includes, "water companies, as defined in Section 25-32a of the general statutes. "

CWWA therefore urges lawmakers to **support SB-1079**, which this revision.